

Control Number: 49379



Item Number: 14

Addendum StartPage: 0

DOCKET NO. 49379

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APPLICATION OF NERRO SUPPLY	§	PUBLIC UTILITY COMMISSION
INVESTORS, LLC AND UNDINE	§	FILING
TEXAS, LLC FOR SALE, TRANSFER,	§	OF TEXAS
OR MERGER OF FACILITIES AND	§	
CERTIFICATE RIGHTS IN HARRIS	§	
AND MONTGOMERY COUNTIES	§	

UNDINE TEXAS, LLC'S RESPONSES TO ORDER NO. 3

On May 30, 2019, the Administrative Law Judge issued Order No. 3 establishing a deadline of June 19, 2019 for Applicants to supplement the application to cure the deficiencies described in the April 25, 2019 memorandum by Emily Sears. Therefore, this response is timely filed.

Undine Texas, LLC ("Undine") provides the following requested information:

1. Calculation of interest listed for customer deposits:

Please see Attachment A – Deposits (submitted confidentially); can also be found in Attachment D of Docket No. 49379, Item #1.

Total Deposit Amount: \$16,050.00

Total Interest Accumulated: \$ 224.05

2. Identify the entity to which the historical financials belong:

The historical financials in Docket 49379 belong to Nerro Supply Investors, LLC formerly known and referenced as Northwest #1 (NW1) and Northwest #2 (NW2).

3. Provide historical financials for 2018:

Please see Attachment B - Nerro Supply Investors, LLC Financials (submitted confidentially).

4. Reconcile \$0 developer contribution listed in this docket with Docket No. 44387 showing \$84,775 in developer contributions:

Per the Northwest Water Systems, Inc. 2013 Balance Sheet, Northwest recorded a Contribution in Aid of Construction of \$84,775. On the Nerro Balance Sheet, CIAC is netted

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against fixed assets, therefore the \$84,775 of CIAC does not appear as a separately stated liability on the Balance Sheet.

Please see Attachment C - Balance Sheet 2013 (submitted confidentially).

5. Answer questions 26 and 27:

Please see Attachment D.

Staff also requested that Applicants provide documentation which shows the transfer of the assets to Nerro Supply, LLC. Please see Attachment E – Executed Letter of Intent (submitted confidentially).

Respectfully submitted,

DuBois, Bryant & Campbell, LLP

y. ______

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(512) 457-8008 (fax)

Attorneys for Undine Texas, LLC

CERTIFICATE OF SERVICE

I certify by my signature above that a true and correct copy of the foregoing document was served on the persons as indicated below on this the $\frac{1}{2}$ day of June, 2019:

Rustin Tawater
Public Utility Commission of Texas
Legal Division
1701 N. Congress Avenue
P. O. Box 13326
Austin, Texas 78711-3326
Rustin.tawater@puc.texas.gov

ATTACHMENT A DEPOSITS CONFIDENTIAL

DOCKET NO.: 49379

STYLE: APPLICATION OF NERRO SUPPLY INVESTORS, LLC AND UNDINE TEXAS, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARRIS AND MONTGOMERY COUNTIES

SUBMITTING PARTY: Undine Texas, LLC

BRIEF DESCRIPTION OF CONTENTS: Attachment A – Deposits

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE: 4 TO 19

ENVELOPE #: 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

ATTACHMENT B

NERRO SUPPLY INVESTORS, LLC FINANCIALS

CONFIDENTIAL

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DOCKET NO.: 49379

STYLE: APPLICATION OF NERRO SUPPLY INVESTORS, LLC AND UNDINE TEXAS, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARRIS AND MONTGOMERY COUNTIES

SUBMITTING PARTY: Undine Texas, LLC

BRIEF DESCRIPTION OF CONTENTS: Attachment B – Nerro Supply Investors, LLC Financials

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE: 21 TO 24

ENVELOPE #: 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

ATTACHMENT C BALANCE SHEET 2013 CONFIDENTIAL

DOCKET NO.: 49379

STYLE: APPLICATION OF NERRO SUPPLY INVESTORS, LLC AND UNDINE TEXAS, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARRIS AND MONTGOMERY COUNTIES

SUBMITTING PARTY: Undine Texas, LLC

BRIEF DESCRIPTION OF CONTENTS: Attachment C – Balance Sheet 2013

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE: 26 TO 36

ENVELOPE #: 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER:

ATTACHMENT D RESPONSE TO QUESTIONS 26 & 27

) ×43	Part F: TCEQ P	ublic W	ater System or Sev	ver (V	Vastewater) Information	on the second		
C		te Part F for <u>EACH</u> Public h a separate sheet with this	Water	or Sewer system to b	be tra	nsferred subject to appr	oval of the transaction.		
22.	A.	For Public Water System (PWS):						
		TO	EQ PW	S Identification Num	ber:	TX1700013	(7 digit ID)		
						Hazy Hollow East Estates			
		Date of I	act TCE	Q compliance inspect	_		(attach TCEQ letter)		
		Date of I	asi i CE			Hazy Hollow	· · · · · · · · · · · · · · · · · · ·		
	_			Subdivisions serv	vea:	razy i ronow			
	В.	For Sewer service:			_	53_1 × 5 #	′ (0.1 - 4 m)		
		TCEQ Water Quality	(WQ) D	ischarge Permit Num	iber: _	WQ -	(8 digit ID)		
			Nam	e of Wastewater Faci	ility: _				
				Name of Permi	itee:				
		Date of l	ast TCE	Q compliance inspect	tion:	,, -	(attach TCEQ letter)		
				ved:		-			
		Date of application to tra	ncfor ne	_		- ·			
·		Date of application to the	insiei pe		.EQ				
23.	List t	the number of existing conne	ections,	by meter/connection t	type, to	o be affected by the propo	osed transaction:		
	Wate	er				Sewer			
		Non-metered	*	2"		Residential			
	742	5/8" or 3/4"	<u>.</u>	3"		Commercial			
	<u> </u>	1"		4"		Industrial			
		1 1/2"	-4.	Other		Other Total Sewer Connections:			
	L	Total Water Conne	cuons:	742		Total Sewer Colline	HOHS.		
24.	A. B.	Are any improvements recommon No Yes Provide details on each recommission standards (at	quired n	najor capital improven	ment n	ecessary to correct defici	encies to meet the TCEQ or		
		Description of the Car	oital Im	provement:	Est	imated Completion Dat	e: Estimated Cost:		
	1 27			20 Av. (5 15 15			`		
							· · · · · · · · · · · · · · · · · · ·		
		(F.)				- ` ` ` `	<u> </u>		
		C. Is there a moratoria	ım on ne	ew connections?					
		No Y	es:						
25.	Does	the system being transferred	i operate	within the corporate	boune	daries of a municipality?			
		No Y	es:			705	(name of municipality)		
			I	•		of customers within the m	_		

26.	A.	Does the system be	ing transferred p	irchase water or	sewer treatment ca	apacity from anoth	er source?
		No Y	es: If yes, atta	ch a copy of pu	rchase agreement o	or contract.	
	Capa	acity is purchased from:	 	-	_ · · · · · · · · · · · · · · · · · · ·		
	- 1	, , , , , , , , , , , , , , , , , , ,	Water:	= -	-		
			•	- <u>-</u> -	,		
			Sewer:	· · · · · · · · · · · · · · · · · · ·			
	В.	Is the PWS require	d to purchase wat	er to meet capac	ity requirements of	r drinking water st	andards?
		No Y	es				
	C.	What is the amount the percent of over					ontract? What is
				in Gallons	Percent o	f demand	
		Wa		-4.5	0.00		
		Sev	ver:	* *_	- 0.00	0%	1
	D.	Will the purchase a	greement or cont	ract be transferre	ed to the Transfere	e?	
		No Y	es:				
27.	Does t	he PWS or sewer treatment	t plant have adequ	nate capacity to	neet the current an	d projected deman	ids in the requested
		☐ No ■ Y	es:				
28.		e name, class, and TCEQ li utility service:	icense number of	the operator that	t will be responsibl	e for the operation	s of the water or
		Name (as it appears on lic	cense) Class	License No.		Water or	Sewer
	•				-	***	
i				-		<u>.</u>	-
				-		:	
	<u> </u>						
\$1.50°	AN IN		Part G: N	lapping & Affi	davits		
	<u>A</u>	LL applications require r Read question 29 A a					
29.		For applications requesting mapping information with				adjustment, prov	ide the following
					g the requested are se should be adhere		he nearest county
			the application reparate maps must		er certificated serv each.	ice areas for both	water and sewer,
			hand drawn ma ceptable mapping		diagram of the re	quested area is n	ot considered an
i							

		Part F: TCEQP	ublic Water System or Ser	ver (1	Wastewater) Information	
C			: Water or Sewer system to s information if you need m			
22.	A.	For Public Water System ((PWS):			
		TO	CEQ PWS Identification Num	nber:	TX1700031	(7 digit ID)
					Shady Brook Acres	· ·
		Date of l	ast TCEQ compliance inspec	tion:	5/01/2017	(attach TCEQ letter)
					Shadý Brook Acres	•
	В.	For Sewer service:	S dod visions son	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
	Δ.		(WQ) Discharge Permit Num	nher:	ŴO -	(8 digit ID)
		TODQ Water Quanty	Name of Wastewater Faci			•
			Name of Perm	-		
		D-461				(attach TCEQ letter)
		Date of I	ast TCEQ compliance inspec			- (and rely lent)
		D . C . II	Subdivisions ser			
		Date of application to tra	ansfer permit <u>submitted</u> to TC	EQ:		·
23.	List	the number of existing conne	ections, by meter/connection	type,	to be affected by the propose	ed transaction:
	Wat				Sewer	
		Non-metered	2"		Residential	
	57	5/8" or 3/4"	3"		Commercial	
		1"	4"		Industrial	
		1 ½" Total Water Conne	Other 57		Other Total Sewer Connecti	one: T
	L	Total Water Collin	ctions. 57		Total Sewer Connecti	одь.
24.	A. B.	No Yes Provide details on each rec	quired to meet TCEQ or Com quired major capital improver tach any engineering reports of	ment i	necessary to correct deficier	icies to meet the TCEQ or
		Description of the Cap	oital Improvement:	Es	timated Completion Date:	Estimated Cost:
				55.7		
		7		:	` - <u></u>	
				<u> </u>		<u> </u>
		C. Is there a moratoriu	ım on new connections?			
		No Y	es:			
25.	Does	the system being transferred	l operate within the corporate	boun	daries of a municipality?	
=		No Y	•			frame of municipality
		110			of customers within the mur	
			Water:		Sewer:	

								
26.	A.	Does the sy	stem being trai	nsferred p	ourchase water or	sewer treatment	capacity from another	er source?
		No No	Yes:	If yes, att	ach a copy of pu	rchase agreemen	t or contract.	
	Ca	pacity is purchased fi	rom:		ap 40 40	- 1		
		-	v	Vater:	-, -	<u>.</u>		
			S	lewer:				
	В.	Is the PWS			ter to meet canac	ity requirements	or drinking water sta	andards?
	υ.	No No	Yes	remase we	nor to moor capac	ny roquironiona	or dimming water bu	
	C.						er the agreement or co treatment (if any)?	ontract? What is
				Amour	it in Gallons	Percent	of demand	
			Water:	=			0.00%	
			Sewer:			- !	0.00%	
	D.	Will the pu	rchase agreeme	ent or con	tract be transferre	ed to the Transfe	ree?	
		No No	Yes:					
27.	Doe area	s the PWS or sewer tr?	reatment plant l	have adec	quate capacity to	meet the current	and projected deman	ds in the requested
		No	Yes:					
28.		the name, class, and fer utility service:	TCEQ license 1	number o	f the operator tha	t will be respons	ible for the operation	s of the water or
		Name (as it appea	rs on license)	Class	License No.		Water or	Sewer
	<u> </u>		-	- :				
		<u> </u>						
	- E		1					
	Ľ		<u> </u>	<u> </u>		- -	<u> </u>	
				Part G:	Mapping & Affi	davits		
-		ALL applications re	equire mappir	ng inform	ation to be filed	in conjunction	with the STM appli for your application.	
29.	A.	For applications remapping information					ary adjustment, provi	de the following
		1. A ger	neral location (small scal	le) map identifyir	ng the requested	area in reference to the	ne nearest county
		i.	• • • • •		following guidan requests to transf		ervice areas for both	water and sewer
		1.			st be provided for		17,100 mom 101 00m1	
		ii.			ap, graphic, or ng document.	diagram of the	requested area is no	ot considered an

POLICE	ar tekni	Part F: TCEQ P	ublic V	ater System or Sev	wer (Wastew	ater) Informatio	n. 🔗		(enda) e
C		te Part F for <u>EACH</u> Public h a separate sheet with thi								
22.	A.	For Public Water System ((PWS):							
		TO	CEQ PW	S Identification Num	nber:	TX101	0213	(7 dig	git ID)	
							Creek Valley			
		Date of l	ast TCE	Q compliance inspec	tion:	02/16/	2016	(attac	h TCEQ letter)	
				Subdivisions ser	rved:	Spring	Creek Valley		•	
	В.	For Sewer service:								
	ъ.	TCEQ Water Quality	(WO) F	ischarge Permit Nun	nher.	wo		' (8 dış	git ID)	
		TCDQ Water Quanty	Non	ne of Wastewater Fac	ilitar				-	
									· · · · · · · · · · · · · · · · · · ·	
1				Name of Perm	iitee:	-		-		· · · · · · · · · · · · · · · · · · ·
Name of Permitee Date of last TCEQ compliance inspection								(attac	th TCEQ letter)	
	Subdivisions served							<i>.</i>		``
		Date of application to tra	ansfer p	ermit <u>submitted</u> to TC	ŒQ:		3 °	_		
23.	List t	the number of existing conne	ections	by meter/connection:	tvne 1	to be affe	ected by the propo	sed tra	nsaction:	
23.	Wate					Sewer				
	- wate	Non-metered		2"			Residential			
	189	5/8" or 3/4"		3"			Commercial			
		1"		4"		- 1	Industrial			
		1 1/2"	, ,	Other			Other			
		Total Water Conne	ctions:	189		To	tal Sewer Connec	tions:		
24.	A. B.	Are any improvements recommon No Yes Provide details on each recommission standards (at	quired n	najor capital improve	ment i	necessar	y to correct deficie	encies t	o meet the To	CEQ or
		Description of the Cap	oital Im	provement:	Es	timated	Completion Date	: E	stimated Cos	it:
		, <u>, , , , , , , , , , , , , , , , , , </u>	·		1	·		<u> </u>	·	·
							· · · · · · · · · · · · · · · · · · ·			
	L	C Yashamanan				~~~~~	***************************************	<u> </u>		
ĺ	,	C. Is there a moratoriu		ew connections?						
		No Y	es:							
25.	Does	the system being transferred	l operate	e within the corporate	boun	daries of	f a municipality?			
		No Y	es:	- ` ` . ` .			<u> </u>	(name of muni	cipality)
			1	f yes, indicate the nu				•	-	

		······································				
26.	A.	Does the system being	g transferred p	ourchase water or	sewer treatment capacity	from another source?
		No Yes:	If yes, at	tach a copy of pu	rchase agreement or cont	ract.
	Capaci	ty is purchased from:			-	
	•		Water:		u uu	
			Sewer:	-	-	
	В.	In the DWC required to		otar ta maat aanaa	eity requirements or drink	ring system standards?
	Б.	No Yes	purchase wa	мен то теет сарас	only requirements of drink	ing water standards?
	C.				ent purchased, per the agn water or sewer treatmen	reement or contract? What is at (if any)?
			Amour	at in Gallons	Percent of dem	and
		Water	: - :	-	0.00%	
		Sewer	-	-	0,00%	-
	D.	Will the purchase agree	eement or cor	ntract be transferre	ed to the Transferee?	
		105.				
27.	Does the area?	PWS or sewer treatment pl	ant have adec	quate capacity to	meet the current and proj	ected demands in the requested
		□ No Yes:				
28.		name, class, and TCEQ licer ility service:	nse number o	f the operator tha	t will be responsible for t	the operations of the water or
	Na	ame (as it appears on licen	se) Class	License No.		Water or Sewer
	 			_		
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				- 		
	/		-			
5	ennet skaan vij Ka	rris per la participa de la compansión d	1 and 1 and 2			
% (M)		AND THE STATE OF T	Part G:	Mapping & Atti	davits	
	AL	<u>L</u> applications require ma <i>Read question 29 A and</i>			-	
29.		or applications requesting to apping information with each				stment, provide the following
					ng the requested area in rece should be adhered to:	eference to the nearest county
				requests to transf st be provided for		eas for both water and sewer,
			and drawn m ptable mappin		diagram of the requeste	ed area is not considered an

ATTACHMENT E EXECUTED LETTER OF INTENT CONFIDENTIAL

DOCKET NO.: 49379

STYLE: APPLICATION OF NERRO SUPPLY INVESTORS, LLC AND UNDINE TEXAS, LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARRIS AND MONTGOMERY COUNTIES

SUBMITTING PARTY: Undine Texas, LLC

BRIEF DESCRIPTION OF CONTENTS: Attachment E – Executed Letter of Intent

BATE STAMP OR SEQUENTIAL PAGE NUMBER RANGE: 44 TO 49

ENVELOPE #: 1 OF 1

ADDITIONAL INFORMATION REQUIRED BY PROTECTIVE ORDER: